



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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December 7, 2000

CERTIFIED RETURN RECEIPT

Z 228 355 000

Phillip Levin  
Levin Stone Co., Incorporated  
P.O. Box 95  
Ash Fork, Arizona 86320

Re: Small Mine Operation Exceeding Five Acres of Disturbance, Levin Stone Mining Company, L.S.  
#1 Project, S/027/086, Millard County, Utah

Dear Mr. Levin:

The Division carried out a site inspection of the Levin Stone #1 project area with the BLM on October 18, 2000. At that time, a GPS survey of the four disturbed areas was conducted which yielded a total acreage of 11.69 acres. The Division recently approved a transfer of 2.76 acres of this affected area to Mr. Mert Hamilton, leaving the remaining disturbed acreage at 8.93 acres. Our Mineral Reclamation Program Rules for a Small Mine, R647-3-113, requires an operator to file a Notice of Intention to Commence Large Mining Operations (FORM MR-LMO) and receive Division approval *before* enlarging an operation beyond five acres. The following acreages were found for each area (see enclosed map).

- The rock storage area was 1.55 acres.
- The southern most quarry was 3.45 acres.
- The two quarries to the North measured 3.93 acres for the western most quarry and 2.76 acres for the eastern quarry. The eastern quarry was transferred to Mert Hamilton.

The total disturbance of the three remaining areas is 8.93 acres. If you believe this acreage is incorrect, please provide a registered survey and/or other appropriate justification to this office by December 22, 2000. The 8.93 acre disturbance exceeds the five acre limitation of your small mining notice. This project now meets the disturbed area requirements to be categorized as a large mining operation. We have not received a Notice of Intention to Commerce Large Mining Operations (LMO) from you for this project.

In order to remedy this situation, we have outlined some possible options which are described below. **We will require a written response from Levin Stone within five days of your receipt of this letter identifying which option has been selected.**

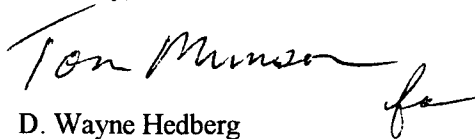
1. Commence immediate reclamation of the mine site to reduce your surface disturbance to five (5) acres or less, by backfilling/regrading/recontouring and reseeding. This work must be completed no later than January 10, 2001. As part of this option, you will need to delineate in the field with clear markers, all portions of the five acre mine site area within which Levin Stone will confine its mining and reclamation activities; or
2. Post a *transition reclamation surety*, appropriate surety form and reclamation contract in the amount of \$34,000 within 30 days of your receipt of this letter. This amount is a conservative estimate of the projected costs for the Division to reclaim the site in its present condition (@ 8.93 acres x \$ 3,800 /acre). This reclamation surety amount will be adjusted accordingly upon final approval of your large mining operation permit application; and
3. File a complete and technically adequate Notice of Intention to Commence Large Mining Operations (FORM MR-LMO) with this office within 60 days of your receipt of this letter. A requisite \$350 permit application fee is required to accompany a new LMO with less than 50 acres of disturbance.

Large Mining Notices generally require at least nine to twelve months for processing and final Division approval. A copy of the LMO application form and the mineral rules are enclosed for your use. Posting of a transition reclamation surety will allow you to continue your operations within the existing disturbed area until the LMO is approved.

If you fail to post a *transition* reclamation surety and LMO application form, or conduct timely reclamation of the excess disturbance, we will be forced to initiate formal enforcement actions. Those actions could include, but not be limited to any or all of the following: a Notice of Noncompliance, a Notice of Agency Action (requiring a formal public hearing), cessation of operations, permit revocation, immediate reclamation, fines and/or other appropriate penalties as authorized by state mining laws.

If you have any questions regarding the requirements in this letter, please contact me at (801) 538-5286. If I am unavailable, please contact Tom Munson (538-5321) of the Minerals Reclamation Program at your earliest convenience. Thank you for your cooperation in resolving this situation.

Sincerely,



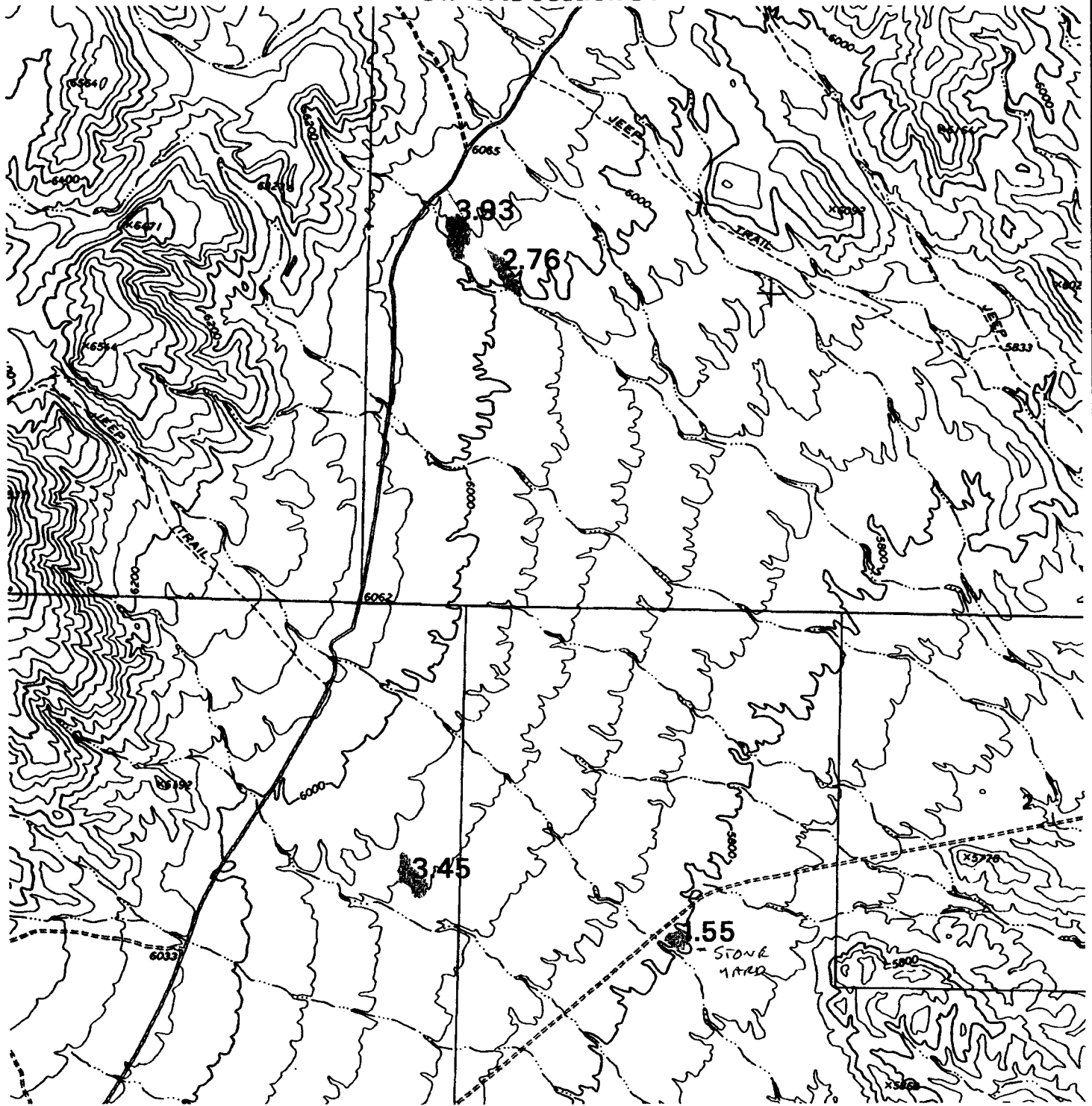
D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosures: GPS map, Rules, MR-LMO form  
cc: Rex Rowley, BLM, Fillmore FO (UTU-078278)  
Mary Ann Wright, DOGM  
Tom Munson, DOGM  
S27-86-ltr

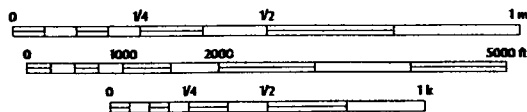
# LEVIN STONE #1 - S270086

Quad: Marjum Pass - UTM: 301400/4350317

S17 W13 Section 34



State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining



Scale 1:24000 (verify scale)

Plotted October 26, 2000

